WASHINGTON STATE DEPARTMENT OF REVENUE



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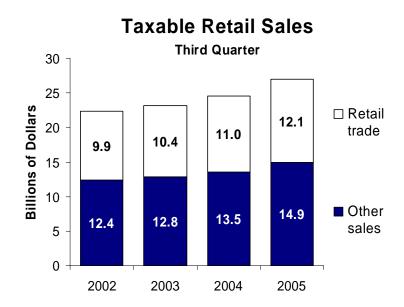
<u>Taxable Retail Sales Increase 10.2 Percent for Third Quarter 2005; Biggest</u> Gain Since 1990

OLYMPIA, Wash., Jan. 19, 2006 — Taxable retail sales during the third quarter of 2005 posted the largest percentage gain in 15 years, the Washington State Department of Revenue reported today.

Sales were 10.2 percent higher for the third quarter of 2005 than during the same period in 2004, according to the latest *Quarterly Business Review* published online this week.

It was the biggest percentage gain in sales since a 10.9 percent increase for the second quarter of 1990, according to Department records.

Washington businesses reported \$27.0 billion in taxable retail sales from July through September, compared to \$24.5 billion a year earlier.



Retail trade also was up 10.2 percent, at \$12.1 billion compared to \$11.0 billion in 2004. Retail trade is a subset of all sales that tracks sales at retail outlets only and excludes such volatile sectors as contracting.

Sales tax due on construction activity was the single largest component of taxable retail sales at 18.9 percent of the total, followed by vehicle sales at 9.9 percent, general merchandise stores sales at 8.3 percent, and restaurants and bars at 7.6 percent. Retail building materials, garden equipment and supplies were up 5.1 percent.

Among the largest counties, King County recorded a 9.4 percent increase in overall taxable retail sales and an 8.6 percent increase in retail trade. Snohomish County posted a 13.5 percent gain overall and a 14.6 percent gain in retail trade. Pierce County was up 13.7 percent and 12.3 percent, respectively. In Eastern Washington, Spokane County was up 8.6 percent overall and 7.6 percent in retail trade.

Among large cities, Seattle moved up 11.7 percent overall and 8.1 percent in retail trade. Everett increased 10.7 percent and 4.9 percent, respectively, while Tacoma was up 13.8 percent and 13.3 percent. In Eastern Washington, Spokane's sales increased 5.3 percent overall and up 3.6 percent in retail trade.

Complete results for all counties and selected cities, including breakdowns of sales by industry sector, are available online. Go to http://dor.wa.gov/content/statistics/2005/qbr305/default.aspx.

Visitors also can obtain figures for all cities using a query system at http://dor.wa.gov/content/statistics/TID/StatisticsReports.aspx?Query=QBR.

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TAXABLE RETAIL SALES BY COUNTY

All Taxable Retail Sales*

Retail Trade Only**

	3rd Quarter 04	3rd Quarter 05	Change	3rd Quarter 04	3rd Quarter 05	Change
Adams	\$45,632,093	\$45,519,670	-0.2%	\$16,089,841	\$16,615,753	3.3%
Asotin	\$43,018,573	\$45,937,682	6.8%	\$22,583,908	\$22,823,327	1.1%
Benton	\$541,184,535	\$564,041,156	4.2%	\$272,713,150	\$291,622,673	6.9%
Chelan	\$323,786,419	\$347,447,040	7.3%	\$138,941,949	\$151,471,554	9.0%
Clallam	\$267,992,340	\$267,775,063	-0.1%	\$109,458,369	\$127,522,640	16.5%
Clark	\$1,063,043,976	\$1,222,031,390	15.0%	\$441,351,712	\$515,429,461	16.8%
Columbia	\$8,944,944	\$7,579,196	-15.3%	\$2,181,162	\$2,207,211	1.2%
Cowlitz	\$278,657,429	\$343,499,573	23.3%	\$140,112,894	\$165,676,014	18.2%
Douglas	\$95,892,121	\$100,382,573	4.7%	\$51,143,222	\$53,577,369	4.8%
Ferry	\$9,901,376	\$9,600,481	-3.0%	\$2,868,603	\$3,461,692	20.7%
Franklin	\$221,904,100	\$227,563,455	2.6%	\$91,833,288	\$96,699,133	5.3%
Garfield	\$4,075,719	\$4,667,276	14.5%	\$2,065,942	\$2,308,219	11.7%
Grant	\$227,065,597	\$242,573,752	6.8%	\$94,840,570	\$106,675,144	12.5%
Grays Harbor	\$196,799,402	\$226,960,277	15.3%	\$92,313,124	\$102,066,245	10.6%
Island	\$183,176,767	\$207,475,004	13.3%	\$75,231,049	\$89,175,717	18.5%
Jefferson	\$100,633,218	\$103,984,256	3.3%	\$28,976,337	\$32,440,112	12.0%
King	\$9,666,256,418	\$10,570,661,647	9.4%	\$3,910,236,544	\$4,246,831,941	8.6%
Kitsap	\$778,584,598	\$848,894,006	9.0%	\$416,890,048	\$452,903,517	8.6%
Kittitas	\$154,052,293	\$173,706,951	12.8%	\$49,052,216	\$57,323,205	16.9%
Klickitat	\$38,561,113	\$36,352,220	-5.7%	\$8,595,236	\$9,310,969	8.3%
Lewis	\$236,268,681	\$265,209,702	12.2%	\$108,650,146	\$118,127,630	8.7%
Lincoln	\$22,874,328	\$20,813,387	-9.0%	\$6,981,303	\$7,206,313	3.2%
Mason	\$120,648,282	\$127,841,114	6.0%	\$52,358,882	\$55,373,978	5.8%
Okanagan	\$98,856,843	\$110,725,383	12.0%	\$46,946,192	\$50,466,781	7.5%
Pacific	\$50,201,599	\$61,130,529	21.8%	\$16,329,954	\$18,246,903	11.7%
Pend Oreille	\$19,586,597	\$26,529,759	35.4%	\$5,999,487	\$6,730,021	12.2%
Pierce	\$2,629,012,130	\$2,989,630,032	13.7%	\$1,304,514,135	\$1,464,911,262	12.3%
San Juan	\$103,597,022	\$109,584,728	5.8%	\$24,653,513	\$28,053,423	13.8%
Skagit	\$532,178,998	\$601,021,884	12.9%	\$298,195,748	\$335,435,827	12.5%
Skamania	\$20,739,992	\$28,764,380	38.7%	\$3,700,808	\$4,363,878	17.9%
Snohomish	\$2,237,343,342	\$2,539,210,803	13.5%	\$1,120,789,299	\$1,284,133,246	14.6%
Spokane	\$1,637,779,946	\$1,777,821,040	8.6%	\$808,472,950	\$870,199,677	7.6%
Stevens	\$75,724,524	\$87,689,280	15.8%	\$38,089,662	\$41,916,949	10.0%
Thurston	\$863,538,579	\$968,974,205	12.2%	\$413,765,411	\$458,696,803	10.9%
Wahkiakum	\$5,258,055	\$5,759,103	9.5%	\$1,227,186	\$1,509,607	23.0%
Walla Walla	\$147,678,548	\$167,588,246	13.5%	\$65,386,697	\$68,940,273	5.4%
Whatcom	\$697,144,552	\$765,333,761	9.8%	\$324,715,720	\$355,288,273	9.4%
Whitman	\$113,483,246	\$102,900,890	-9.3%	\$36,620,047	\$39,033,602	6.6%
Yakima	\$633,910,937	\$651,755,427	2.8%	\$306,386,199	\$312,174,764	1.9%
TOTALS	\$24,494,989,232	\$27,004,936,321	10.2%	\$10,951,262,503	\$12,066,951,106	10.2%

^{*}All taxable retail sales includes retailing, services, contracting (construction), manufacturing, transportation, communications, utilities, wholesaling, finance, insurance, real estate and others. Sales taxes from contracting can be highly volatile.

^{**}Retail Trade includes taxable sales of building materials and hardware, general merchandise, food, auto dealers, apparel, furnishings, and miscellaneous retail stores. This figure better represents consumer purchases.

TAXABLE RETAIL SALES BY SELECTED CITIES

All Taxable Retail Sales*

Retail Trade Only**

	3rd Quarter 04	3rd Quarter 05	Change	3rd Quarter 04	3rd Quarter 05	Change
Aberdeen	94,726,898	103,089,294	8.8%	59,961,389	65,461,011	9.2%
Auburn	431,491,679	447,348,566	3.7%	205,432,432	232,587,881	13.2%
Bellevue	1,086,974,980	1,225,200,186	12.7%	561,093,991	622,680,385	11.0%
Bellingham	479,240,424	511,504,496	6.7%	258,971,156	281,931,656	8.9%
Bremerton	179,351,007	185,949,432	3.7%	103,739,946	109,727,613	5.8%
Camas	36,450,597	40,202,842	10.3%	8,971,717	10,305,861	14.9%
Centralia	62,674,965	64,902,282	3.6%	29,378,167	31,372,250	6.8%
Chehalis	90,417,599	100,604,159	11.3%	57,072,202	58,726,077	2.9%
Colville	40,065,411	43,320,045	8.1%	25,959,870	28,902,008	11.3%
Des Moines	53,858,703	52,877,738	-1.8%	14,777,836	16,742,640	13.3%
Edmonds	132,417,251	140,194,077	5.9%	67,109,032	69,457,717	3.5%
Ellensburg	86,611,713	97,554,337	12.6%	36,730,445	42,782,047	16.5%
Everett	553,180,962	612,635,235	10.7%	278,567,616	292,216,205	4.9%
Federal Way	305,613,202	343,901,604	12.5%	164,222,539	172,939,957	5.3%
Fife	195,010,792	236,946,874	21.5%	134,506,520	155,546,733	15.6%
Issaquah	295,964,328	310,491,031	4.9%	148,721,208	164,115,830	10.4%
Kelso	53,014,647	55,725,110	5.1%	29,206,015	32,226,094	10.3%
Kennewick	311,001,100	321,455,270	3.4%	186,276,521	198,908,042	6.8%
Kent	603,773,846	606,441,002	0.4%	234,812,318	262,564,676	11.8%
Kirkland	389,049,736	452,975,420	16.4%	200,705,681	223,173,122	11.2%
Lacey	155,911,683	201,031,542	28.9%	79,195,509	91,318,153	15.3%
Longview	152,421,987	186,409,717	22.3%	84,328,684	100,952,786	19.7%
Lynnwood	475,610,257	514,241,120	8.1%	316,652,978	359,202,104	13.4%
Marysville	112,861,610	131,792,129	16.8%	47,334,440	60,146,654	27.1%
Mercer Island	59,943,107	76,360,190	27.4%	11,155,649	11,207,664	0.5%
Moses Lake	103,709,512	118,252,706	14.0%	52,211,625	62,536,508	19.8%
Mount Vernon	137,037,031	152,985,633	11.6%	75,477,796	85,895,719	13.8%
Mountlake Terrace	33,735,423	39,604,360	17.4%	12,109,557	13,157,007	8.6%
Oak Harbor	78,610,014	88,470,923	12.5%	40,983,025	51,248,805	25.0%
Olympia	440,908,564	464,728,010	5.4%	237,024,751	260,746,723	10.0%
Omak	29,092,182	32,371,079	11.3%	20,608,754	21,598,344	4.8%
Pasco	198,147,961	203,297,721	2.6%	86,578,568	90,521,637	4.6%
Port Angeles	107,716,311	88,863,029	-17.5%	36,369,977	38,634,084	6.2%
Port Townsend	45,813,884	50,215,491	9.6%	15,825,079	16,900,848	6.8%
Pullman	81,694,203	69,728,937	-14.6%	27,512,683	28,724,943	4.4%
Puyallup	414,995,500	452,927,663	9.1%	282,426,581	305,976,071	8.3%
Redmond	430,574,219	482,422,659	12.0%	167,252,218	173,014,053	3.4%
Renton	482,936,432	525,755,388	8.9%	267,059,219	293,279,509	9.8%
Richland	163,335,736	183,534,223	12.4%	70,954,055	74,516,565	5.0%
SeaTac	271,925,955	289,685,217	6.5%	15,451,885	22,173,227	43.5%
Seattle	3,354,739,364	3,745,801,133	11.7%	1,129,186,115	1,220,417,976	8.1%
Shelton	51,940,698	52,840,020	1.7%	27,250,397	29,463,098	8.1%
Spokane	848,945,668	893,629,728	5.3%	404,063,095	418,443,898	3.6%
Sunnyside	57,440,966	54,786,423	-4.6%	33,469,799	32,075,752	-4.2%
Tacoma	982,395,824	1,118,100,133	13.8%	471,431,174	534,278,792	13.3%
Tukwila	487,780,203	491,831,820	0.8%	293,950,645	288,628,673	-1.8%
Vancouver	578,745,475	651,533,325	12.6%	253,646,291	282,336,339	11.3%
Walla Walla	108,708,069	126,129,644	16.0%	47,272,645	50,349,533	6.5%
Wenatchee	185,753,202	189,462,877	2.0%	92,611,210	102,439,187	10.6%
Yakima	339,613,278	350,309,877	3.1%	168,312,859	175,234,756	4.1%
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